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U.S. taking wrong direction on trade, citizens say

By Barb Kucera, Workday Minnesota editor — January 26, 2004

ST. PAUL — Most Americans are too busy trying to make a living to worry about what trade negotiators are doing behind closed doors. But the growing number of international trade deals should be a serious concern for everyone, participants in a Congressional hearing said Monday.

Global trade agreements aren't just for governments and corporations, but are "also very important to families in Minnesota, families in the United States and families throughout the world," noted Congresswoman Betty McCollum, a DFLer representing Minnesota's Fourth District who presided over the field hearing on hemispheric trade.

Yet, while trade pacts increasingly affect our everyday lives, from the ability to find a good-paying job to the quality of our drinking water, too often the public is being excluded from the debate, she said. The hearing provided one forum for concerned citizens, including union leaders, farmers and environmentalists, to outline problems and propose solutions.

In particular, the testimony focused on the proposed Central American Free Trade Agreement, recently negotiated by the Bush administration. The pact would threaten several U.S. industries, including the sugar beet industry in Minnesota, and would open up a number of public services to potential privatization.

"CAFTA does nothing to help our farmers and will further increase the race to the bottom for our farmers and laborers," said Doug Peterson, president of the Minnesota Farmers Union.



United Auto Workers Local 879 President Rob McKenzie testifies during a hearing Monday on the effect of trade agreements.

Union leader Mark Froemke and MinnDak Farmers Cooperative President Dave Roche testified that CAFTA would be the first step in a process that would wipe out the entire U. S. domestic sugar beet industry. In Minnesota and North Dakota, the \$2.6 billion industry employs more than 1,700 people and is the lifeblood of several rural communities, they said.

CAFTA "is a Trojan horse for the far broader FTAA," noted Larry Weiss, coordinator of the Minnesota Fair Trade Coalition. Negotiations toward a Free Trade Area of the Americas, which would cover the entire western hemisphere, fell apart in November in Miami, so the Bush administration is pushing ahead with a series of smaller agreements to eventually accomplish the same objectives, Weiss said.

Congress may vote on CAFTA as early as this spring, but under current "fast track" rules, may not amend the agreement – only approve it or reject it.

Speakers at the Congressional hearing, held at the State Office Building in St. Paul, dissected earlier trade pacts and identified several threats to citizens under CAFTA and other proposed agreements.

"As you consider a new trade agreement, I think you should look at the record of NAFTA," the North American Free Trade Agreement that took effect 10 years ago, said Minnesota AFL-CIO Secretary-Treasurer Steve Hunter. "We are still looking for the millions of new jobs that NAFTA was supposed to create."

Not only has NAFTA resulted in the loss of nearly a million U.S. jobs, it has failed to raise the standard of living for most Mexicans and has led to greater pollution along the U.S.-Mexican border, speakers at the hearing said.

"Poor nations compete with each other for foreign markets by offering the laxest environmental and worker standards," said Ginny Yingling, representative of the Sierra Club. "Our farmers and our businesses are unable to compete.

"We've set up an unfair system both for people in the developing world and here in the United States."

Yingling, Weiss and others said CAFTA and other trade agreements would require governments to privatize critical public services, such as water utilities, giving local communities no say in the matter. Even proponents of privatization should question this undermining of democracy, they said.

Three Minnesota legislators who participated in the hearing echoed these concerns. State Representatives Tim Mahoney, DFL-St. Paul, and Lyle Koenen, DFL-Maynard, and state Senator Ellen Anderson, DFL-St. Paul, said they would share information gathered at the hearing with fellow lawmakers.

"The laws that we fight to pass so hard here in Minnesota are in jeopardy because of these international agreements," Anderson said.

Under legislation passed last year, state agencies are required to assess the effect of past and proposed trade pacts on Minnesota. Anderson, a sponsor of the bill, said the agencies have provided very little documentation and she will push them to provide more.

Mahoney said he will introduce a resolution in the 2004 session to put the Legislature on record opposing CAFTA.



Congresswoman Betty McCollum (left) presided over a panel that included (from left) Minnesota AFL-CIO Secretary-Treasurer Steve Hunter, Sierra Club representative Ginny Yingling and Minnesota Fair Trade Coalition Coordinator Larry Weiss.

## For more information

For information on the effect CAFTA would have on the sugar beet industry, the threat that trade agreements pose to democracy, links to resources and more, visit the special Workday Minnesota section on trade.

Workday Minnesota is a collaborative effort of the Labor Education Service and the Minnesota AFL-CIO on behalf of working people in Minnesota. Contact us at editor@workdayminnesota.org or by calling 612-624-1104.